

Blue Ribbon Commission on Transportation Full Commission Meeting

Meeting Summary

January 14, 1999

Commission members present:

Doug Beighle, Peter Bennett, Don Briscoe, Greg Devereux, Roger Dormaier, Councilmember Dave Earling, Representative Ruth Fisher, Senator Mary Margaret Haugen, Robert Helsell, Doug Hurley, Peter Hurley, Commissioner Bettie Ingham, Arthur D. Jackson, Jr., Jennifer Joly, John Kelly, Bill Lampson, Charles Mott, Connie Niva, Commissioner Patricia Notter, Patricia Otley, Larry Pursley, John Rindlaub, Mike Roberts, Skip Rowley, Representative Karen Schmidt, Ken Smith, Commissioner Judie Stanton, Dale Stedman, Commissioner Judy Wilson

Commission members not present:

Rick Bender, Commissioner Ted Bottiger, Bob Dilger, Governor Booth Gardner, Senator Valoria Loveland, Councilmember Richard McIver, Representative Maryann Mitchell, Tomio Moriguchi, Representative Ed Murray, Dale Nusbaum, Neil Peterson, Senator Dino Rossi, Senator George Sellar

Guest Speaker Governor Gary Locke

Governor Locke recapped his charge to the Commission that the group begin without preconceived ideas and that it look at the long-term picture and the complete structure of transportation in Washington State. He said that R-49 was a short-term infusion of funds into the system and that the Commission's longer term work is essential.

The Governor said the public needs to be convinced that the R-49 dollars are being spent wisely and that demonstrable and measurable improvements to the quality of life will result from the expenditures. Governor Locke emphasized the need for public education to counter misinformation that exists. He urged that such public education begin immediately. This was particularly urgent since an initiative was beginning to circulate that would eliminate the MVET.

Business Meeting

Chairman Doug Beighle reminded members that all transportation topics are on the table and that while there would be overlaps among the three committees' topics, there would be different perspectives on the issues by each committee. The committee chairmen then reported on the topics identified by each committee for consideration by the Commission.

Reports from Committee Chairmen

Adoption of Committee Topic Lists

Administration Committee. Chairman Doug Hurley presented the following potential solutions as items to be studied by the Administration Committee:

Permitting

- Support and extend WSDOT's "Reinventing NEPA" efforts.
- Closer integration of SEPA and GMA.
- "One-stop shopping" for environmental permits.
- Concurrent review and permitting by multiple agencies and jurisdictions.
- Provide certainty by setting time limits on permitting process.
- Consolidate corridor planning and the NEPA/SEPA process.
- Remove unnecessary and burdensome laws and regulations governing transportation agencies.
- Adopt reforms to wetlands policy, including mitigation banks.
- Other potential solutions not yet identified.

Fragmentation of Planning, Funding and Implementation Authority

- Consolidate authority in a smaller number of central agencies with regional jurisdiction.
- Change the allocation of authority at the State level (among WSDOT, WTC, LTC, and the Governor).
- Establish joint local elected/legislators planning and funding council in each area of the state.
- Require local maintenance of effort by cities and counties as a condition of receiving new State or local-option funds.
- Establish regional Transportation Benefit Districts.
- Other potential solutions not yet identified.

Agency Efficiency

- Simplify OFM regulations to reduce high administrative costs.
- Revise prevailing wage requirements, if warranted.
- Reduce administrative overhead of transportation agencies.
- Increase the use of performance benchmarking.
- Encourage contracting out, where it saves money.
- Decrease the costs of environmental mitigation.
- Other potential solutions not yet identified.

Alternative Project Delivery Systems

- Privatization and managed competition of aspects of the transportation system.
- Public/private partnerships.
- Expand WSDOT's recently authorized design/build tool beyond the 2 current demonstration projects.
- Other potential solutions not yet identified.

Investment Strategies Committee. Chairman Dale Stedman presented the following potential solutions as items to be studied by the Investment Committee:

Congestion - Potential Solutions

Supply Side

- Adding general-purpose highway lanes
- Adding HOV lanes
- Rail Transit
- Expanded bus system
- Van pools and paratransit
- HOV lanes and expanded rubber-tired transit system
- Improved bike and pedestrian corridors
- Dedicated right-of-way for freight movers
- Other potential solutions not yet identified

Demand Side

- Road pricing (congestion pricing)
- Ramp metering
- Tele-commuting programs
- Staggered work hours at large employers
- Land-use planning that locates jobs near housing
- "Cashing out" free employer provided parking
- VMT charges, large increases in the gas tax
- Other potential solutions not yet identified

Mixed Approach

- Determine the optimal mix of supply- and demand-side approaches for each transportation corridor

Inadequate Maintenance and Need for Rehabilitation - Potential Solutions

- Increase funding for maintenance and rehabilitation
- Limit access to roads by heavy vehicles
- Charge heavy vehicles additionally for the higher costs they impose on road surfaces
- Provide more unrestricted state or federal grants to local jurisdictions
- Adopt life-cycle cost approaches to maintenance
- Other potential solutions not yet identified

“Needs” Exceed Funding - Potential Solutions

- Raise tax revenues
- Develop prioritization process that cuts across current agencies and modes
- Identify low-cost system efficiencies within a corridor
- Require financially constrained plans
- Use road pricing on congested road facilities
- Other potential solutions not identified

Economic Development - Potential Solutions

- Create procedures and designate funds for areas outside the I-5 corridor
- Designate funds for freight mobility
- Target areas that are lagging economically
- Recognize need for geographic equity
- Other potential solutions not yet identified

Integration of Land Use and Transportation

Revenue Committee. Chairman Skip Rowley presented the following topic list as adopted and proposed by the Revenue Committee:

- The fund and account structure (funding “buckets”)
- Gas tax and its distribution
- The 18th amendment to the state constitution
- MVET distribution
- City and county needs and funding levels
- Local option taxes
- Tolls
- Congestion pricing
- Ideas from other states and countries
- Allocation of taxes paid on transportation projects
- Equity issues
- User fees
- Impacts of R-49 bonding
- Public-private partnerships and Creative financing

The following questions were asked of the committee chairmen:

Q: Does the Revenue Committee list include federal funding issues such as donor state status and the structural overlap of federal accounts and state accounts?

These issues were included.

Q: What does the term “creative financing” include?

At the present, the term includes creative lease-back financing structures for transportation equipment, but other kinds of financing would be considered.

Q: Does the Administration Committee’s list include examining the shifting role of government agencies from service provider to policy maker, monitor and evaluator, as it is occurring in health care?

Yes, it does and such techniques as managed competition and general contractor/construction manager are examples of the changing roles.

Q: Is there a tone of optimism implied about the ability to change structures?

Committee members have expressed a willingness to examine these issues in a substantial way.

Q: Would you clarify the meaning of the first two items under Fragmentation of Authority?

There seems to be a need for statewide, not necessarily regional consolidation. The answer may have to be a blend of state and regional level authority. This will have to address the RTPO issue and LOS issues for multi-jurisdictional routes.

Q: Does the land use/transportation integration topic imply that the state would become involved in local land use issues?

No, the issue is the sufficiency of integration.

It was moved and seconded to approve the topic lists of the three committees. The motion was approved.

Charter Amendment

Chairman Dale Stedman of the Investment Strategies Committee presented two amendments to his committee's charter:

- Understand existing and emerging statewide transportation needs.
- Recommend critical state, regional and local transportation investments.
- Review, evaluate, and recommend state, regional and local planning and programming practices, applicable to transportation investments.
- *Identify, evaluate, and recommend strategies that reduce demand for transportation facilities as well as strategies that add new capacity.* Identify, evaluate, and recommend strategies that encourage more efficient use of transportation facilities as well as strategies that add new capacity.
- Propose a method for recognizing and mitigating inter-jurisdictional impacts of transportation improvements.

The charter amendments were moved, seconded and approved by commission members.

Introduction to Benchmarking

Vice Chairman Rindlaub introduced the benchmark topic. Benchmarks have been a useful tool in the business world. Typically companies measure net income as a key indicator. In Washington State, the Business Roundtable urged the formation of the Business Climate Advisory Board which now tracks 29 factors related to the state, including some transportation factors such as congestion. Benchmarks are not goals, rather they are used to measure progress toward goals. As the Commission begins to think about this topic, it will be key that any measures developed be clear and easily understandable and that they make sense to the public.

Measuring Transportation System Performance

Tarek Hatata of Booz-Allen & Hamilton's San Francisco office was introduced as the presenter. (*A copy of the presentation was available to members in the meeting notebooks.*) Following the presentation, three panelists, Bill Eager, Aaron Ostrom and Scott Rutherford were introduced. Each provided a commentary on the presentation, which was followed by discussion with commission members.

Bill Eager: It is important to ensure that performance measurement systems are not used to delay or obscure weaknesses in the transportation system. There have been three noble causes: ride-sharing, where we continue to have declining occupancy; transit which continues to lose market share; and

congestion pricing which loses everywhere it is considered. The reality is these methods have not worked.

Delay as a measure of comparison masks differences among modes. For example, to travel the same route, a car takes half as long as a bus. Mr. Eager suggested paying more attention to the congestion index and to apply it to subareas not just to the entire region. Benefit/cost ratio is problematic because it includes uncertainties such as the value of time. Depending on the assumptions used, you can make the answer almost anything you want it to be.

Aaron Ostrom: Performance measurement is critical to reforming the system. We must invest in outcomes, not in needs. It is also important to include economic and environmental measures, not just mobility measures in any system. System performance can show us efficient and cost-effective means to develop new portfolios of investments.

A traditional response to congestion has been to add capacity--this has been a failure. Experience shows that a 1% increase in lane miles leads to a .9% increase in traffic almost immediately. A recent WSDOT study showed that it is 20% cheaper to build rail than the same carrying capacity of roadway. What should we be doing differently? We must evaluate options such as trip reduction, system management and land use. When we invest in access management systems such as HOV access ramps, these investments need to be protected by land use choices.

Scott Rutherford. Performance measurement is a hot topic. The Commission can learn from the experiences of Colorado and California. One caution is that any measures developed for planning, programming and monitoring need to be the same. It makes no sense if different measures are used by each part of the system. Often data have been ignored because agencies are measuring something else. On indicators, it is difficult to find a multimodal measure for mobility because about 30% of the population doesn't drive. Another difficult one is accessibility--how do we include telecommuting or Internet commerce in measures of access? It is true that individual transportation solutions such as TDM or congestion pricing have not worked very well. For that reason any system improvements must consist of a package of things in addition to capacity. A package might include employer practices, housing, arterial HOV and transit service.

Panelist responses to questions from the Commission:

Q: What measures would you recommend using?

A: You cannot hope to eliminate congestion. In Los Angeles \$400 billion in highway investments has been made and you still have the most congested region in the country. In San Francisco you have a 45% transit share and yet congestion is terrible. You need alternatives.

A: All capacity fills up. That is its purpose and what people want it to do when there is demand. In 1970 we built our freeway system. It didn't fill up until 1990. Congestion should be the measure.

A: We need to do things differently. Packages are going to be the answer. We need to do what people want government to do, what people will support. They do not want us to build more highways. In a survey it was found that new roads were the lowest ranked solution, new lanes on existing roads were the next lowest ranked solution.

Q: What about external measures such as quality of life?

A: People want choices. People need to use a car sometimes--like when dropping off the child at daycare and then the wife at her job. Other days, the bus is the easiest. People want to be able to plan their day and have it be reliable. Reliability is a big part of quality of life.

A: Alternative land uses. Home ownership is the American dream. People want to be able to own a home and have reasonable access to their jobs.

Q: Might you end up letting the measure rule the decision? For example, in the container business, we can leave the containers on the dock and transport them at 2 am. But we need government to make the right decisions, not just the popular ones. You need to ensure that the value of goods is included in any benefit/cost ratio.

A: It is a big mistake to make decisions without knowledge of time costs. The full cost of operating an auto is about 65 cents a mile. If a meter were running to tell you the true cost of car operation, we would behave very differently. But we do not bear much of the cost as individuals.

A: This is an important issue. The time value of freight is easier to measure than for personal vehicle use.

Q: What do we know about how performance measurement can be used with the public?

A: There really aren't any direct results yet. In focus groups, when you talk in terms of performance outcomes, people's support increases. The particular measure used is not so important as much as its being accepted by the public.

A: The public understands efficiency. People want choices and they want them for the least cost.

Q: How can you measure the impact of land use options?

A: The reality is congestion and vehicle miles traveled go up with increasing density until you get to extremely high densities. Density is the wrong way to go if you want to reduce congestion. A mix of uses gives you more bang for the buck.

A: On the other hand, if transit is to be a viable option, you need density.

Q: The PSRC tells us that in 20 years congestion will be four times worse than it is now. How can we tell which projects would reduce congestion?

A: At best, we can maintain current levels of congestion, not reduce it. Average travel time is the indicator that comes closest to helping measure congestion.

A: Summarizing, it sounds like people want choices, they want them based on cost, comfort, time and reliability.

Wrap-Up and Charge to Steering Committee

Chairman Beighle thanked the presenter and panelists for a lively discussion. He then asked the Commission for direction to the Steering Committee to further define possible benchmarks and bring back recommendations to the May meeting. It was moved, seconded and approved to so direct the Steering Committee. It was also suggested that measures be based on existing data where ever possible.

There was no public comment offered.

The meeting adjourned at 3:50 pm.